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July 1, 2002

OF COUNSEL  
WILLIAM G. CONLY

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Upper Cotton Valley Lime, Reservoir A, SAILES  
FIELD, Bienville Parish, Louisiana.

Dear Sir:

ENERGEN RESOURCES CORPORATION ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Upper Cotton Valley Lime, Reservoir A, in the Sailes Field, Bienville Parish, Louisiana:

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Upper Cotton Valley Lime, Reservoir A.
2. To create one (1) drilling and production unit for the exploration for and production of gas and condensate from the Upper Cotton Valley Lime, Reservoir A, such unit being designated UCV LM RA SUA, and being shown on the attached plat.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each separate tract sharing in unit production on a surface acreage basis of participation.
4. To designate Energen Resources Corporation as Operator of, and its C. L. Stewart et al. 17 No. 3 Well as the unit well for, the proposed unit.
5. To provide that future wells drilled to the Upper Cotton Valley Lime, Reservoir A, within or outside of the proposed unit be located no closer than 1,000 feet to any unit line and no closer than 2,000 feet to any well completed in, drilling to, or for which a permit has been granted to drill to the Upper Cotton Valley Lime, Reservoir A.
6. To define the Upper Cotton Valley Lime, Reservoir A, as that gas and condensate bearing interval encountered between the depths of 10,310 feet and 10,360 feet (measured depths) in the Energen Resources Corporation--C. L. Stewart et al. 17 No. 3 Well, located in the Southwest Quarter (SW 1/4) of Section 17, Township 16 North, Range 7 West, Bienville Parish, Louisiana.
7. To consider such other matters as may be pertinent.

Honorable James H. Welsh  
July 1, 2002  
Page 2

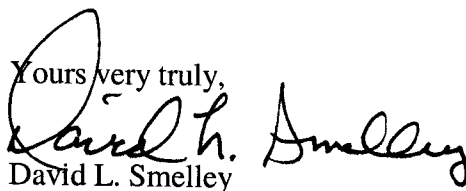
Pertinent data concerning this application is available for inspection at the offices of Energen Resources Corporation, 605 Richard Arrington, Jr., Boulevard North, Birmingham, Alabama 35203-2707. Any person wishing to inspect such data should call Mr. Robert W. Plumb at (205) 326-2710 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available from the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated June 18, 2002, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and a pre-application conference with respect to Applicant's proposals was tentatively scheduled for July 8, 2002. No request for the pre-application conference was received; therefore, no conference was held.

Attached hereto is a plat outlining Applicant's proposed unit, which plat is identical to the plat attached to the pre-application notice. Also attached hereto is a list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list is being forwarded only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation. A copy of the list will be furnished by the undersigned to any party so requesting. A reasonable effort was made to obtain a complete list of Interested Owners, Represented Parties and Interested Parties.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plat at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Sailes Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose our check payable to the Commissioner of Conservation for the application fee.

Yours very truly,  


David L. Smelley  
Attorney for Energen Resources Corporation

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DLS:dp

Enclosures

cc: Mr. Jim Broussard (w/encls.)  
Mr. Robert W. Plumb (w/encls.)  
Mr. Craig C. Barclay (w/encls.)  
Interested Owners, Represented  
Parties and Interested Parties  
(w/copy of unit plat only)

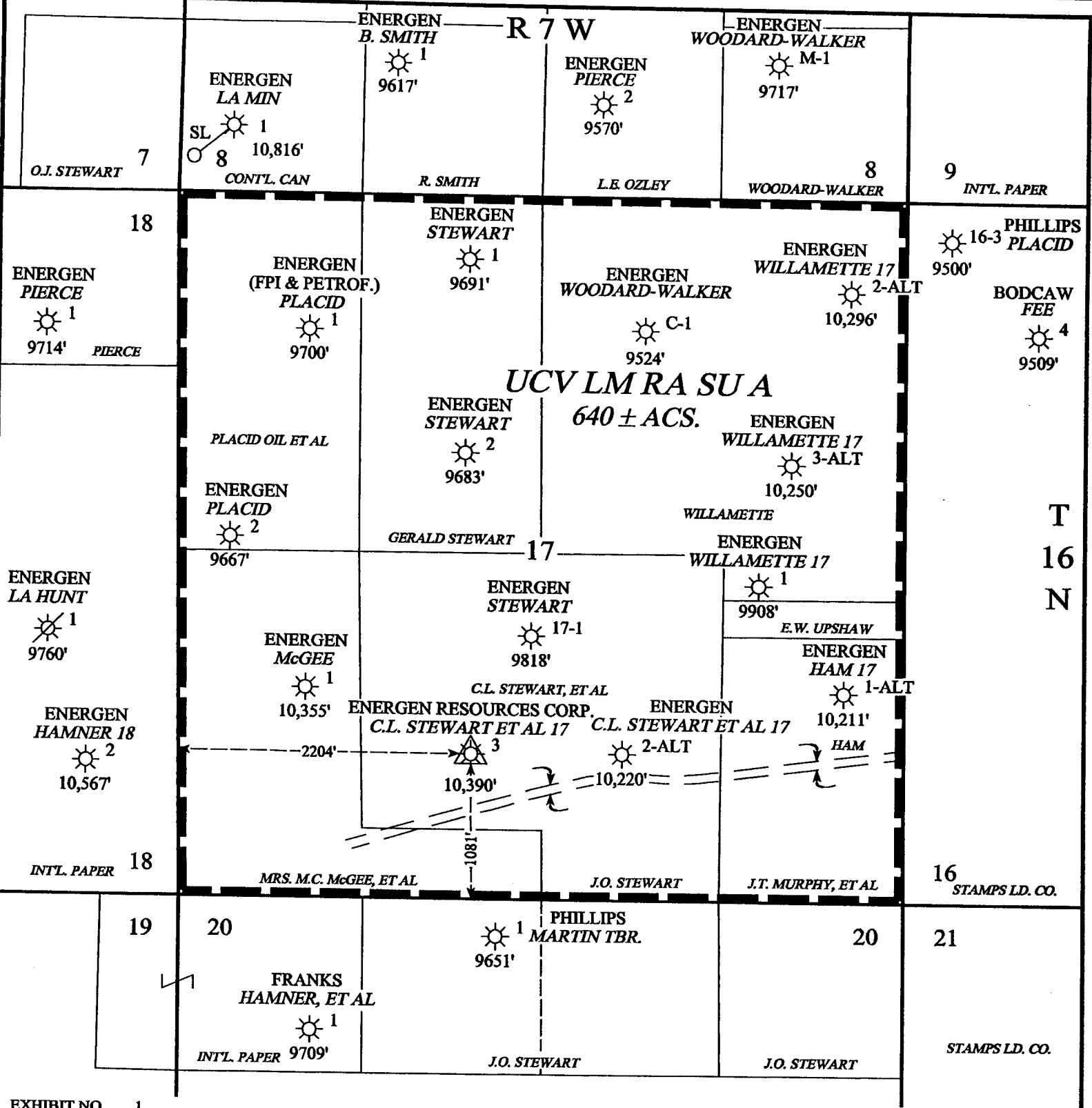
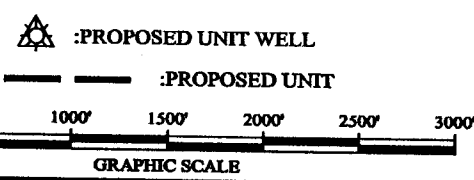


EXHIBIT NO. 1 DOCKET NO. \_\_\_\_\_

**ENERGEN RESOURCES CORPORATION**  
BIRMINGHAM, ALABAMA

**SAILES FIELD**  
BIENVILLE PARISH, LOUISIANA

**UNIT PLAT**  
**UPPER COTTON VALLEY LIME, RESERVOIR A**



CRAIG C. BARCLAY